

3. Further, we have noted evidence to support our suspicion that Source has openly posed as an American agent. Those items which purport to have come from Eugen DOLLMANN (SSGA-187) (appended in the original German to the first installment of the diary [Attachments 1, 2, 3, 4, and 5 to Appendix A]) indicate, very strongly we believe, that DOLLMANN considers Source to be an American agent with official AIS connections. This explanation is the only one which accounts for the material which Source states was given to him by DOLLMANN. We must, then, ask ourselves to what degree Source has continued to represent himself as having official AIS connections. Per se, the most strenuous doubts are raised as to the security aspects of the case. We must also search out the degree to which Source has already become a security hazard to the agency and the degree to which Source may continue to be a security liability.

17. In any case we won two thousand lire in a short time, and I said, "You see, we Americans, always win in the end." More consternation. CIGARINI was getting worried and pushed me off on a dreary Pole from the Consulate to whom I talked about the happy days in Poland before the war. Realizing that things were not going well, CIGARINI snatched me away from there and left me with two men, whom I gathered worked on the UNITA, whom I immediately attacked on the DOLLMANN articles, saying that they should offer a wreath to DOLLMANN for having brought about the surrender and saved thousands of lives, instead of attacking him in their paper. One agreed with me, surprisingly enough, and said they had made a thorough mess of the articles, for the name they had given under which DOLLMANN was supposed to be hiding in Switzerland had turned out to be a good Swiss, and there was trouble brewing.

22. DOLLMANN here today reports that Don Giovanni has found that the Signora ZAPPELLONI (L. 6,80) had entered in contact with the CP over the DOLLMANN story through her brother, working at the Waldorf Astoria in New York. This brother (first name unknown) was arrested by our people in the first World War for treason and spy activities and turned over by us to the Italian authorities. He escaped from prison to Switzerland, and from there made his way to the States in the early twenties, working in hotels. Madame ZAPPELLONI worked for Italian and German services in Switzerland during this last war, and on her own confessions to DOLLMANN used her brother in the States. She has confessed to being able to contact her brother's friends in the CP. There is very little proof of all this story from this side, but it may interest the FBI if they have anything on this man.

(NOTE: We would be interested in seeing the details of this story checked. When source says that there is very little proof of all this story from this side, he has certainly made the understatement of the week.)

23. ROGHT arrived and met DOLLMANN in my house. DOLLMANN will proceed to Innsbruck to arrange things from that end and then to Alto Adige to control lists of deposits given by HOFER in company with NOCCHI and myself, if absolutely necessary. Nothing will be said to BULLO for the moment, and the Italian police will control him to find out if what he has done has been done by stupidity or on orders, and until then nothing will be said to BULLO. If he starts making trouble, AGNESINA will find an excuse to lock him up pending developments.

NAZI WAR CRIMES DISCLOSURE ACT

EXEMPTIONS Section 3(b)

(2)(A) Privacy

(2)(F) Methods/Sources

(2)(G) Foreign Relations

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